

EMERGENCY SHELTER GRANT

Operations Manual – Fiscal Year 2007



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Community Development**

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GENERAL INFORMATION

BACKGROUND

The Emergency Shelter Grant (ESG), authorized by the Stewart B. McKinney Homeless Assistance Act, is funded by the U. S. Department of Housing and Urban Development (HUD). This federally funded grant is administered by the Virginia Department of Housing and Community Development (DHCD), Division of Housing and is available to service providers in non-entitlement areas.

GOAL

The goal of the ESG is to assist homeless families and individuals by providing shelter and services at emergency and transitional housing facilities in the Commonwealth of Virginia.

OBJECTIVES

The objective of the ESG is to provide emergency funding to emergency shelters and transitional housing facilities based on the number of eligible beds available to serve the homeless to be used for operations, maintenance costs, supportive services, and staff costs (salaries may not exceed ten percent [10%] of the grantee's award).

FINANCIAL INFORMATION

AWARDS

The fiscal year 2006-2007 Emergency Shelter Grant awards are determined through a "per bed" method. Per bed award amounts are based on the number of eligible ESG beds that project sponsors have available to serve the homeless.

To establish the per bed amount, DHCD divides the number of beds of all applicants that meet program eligibility requirements into the available funds for the fiscal year, giving a per bed dollar amount. Each grantee receives an award amount based on the number of beds in the facility that is approved by the Local Building Official and available to serve the homeless for the full grant year.

Funding for seasonal facilities (winter shelters) is based on the average daily bed count pro-rated for five months.

Funding for day shelters is based on fifty percent (50%) of the average daily attendance of persons for whom homelessness is documented by the provider.

MATCH

All ESG grantees are required to provide a dollar-for-dollar, non-emergency match for the entire ESG award amount. The match must be for the specific project for which ESG funding is requested and

must be received and expended within the grant year. The State Shelter Grant, not including any Temporary Assistance to Needy Families (TANF) funds, is an allowable source of match. Additional allowable sources of match are cash, the value or fair rental value of any donated material or building, the value of any lease on a building, any salary paid to staff to carry out the program of the recipient and the value of the time and services contributed by volunteers to carry out the program of the recipient.

GRANT AGREEMENTS

DHCD will enter into a Grant Agreement with each approved applicant on July 1, 2006. The Grant Agreement will specify the terms and conditions of the grant award. **The Grant Agreement must be signed and the full document (all pages) mailed to DHCD by September 15, 2006 or the award may be forfeited.** The Grant Agreement will require grantee compliance with the terms, conditions and requirements of the agreement, the program and the laws of the Commonwealth.

The grant period will begin July 1, 2006 and end June 30, 2007. A Grant Agreement is considered fully executed and in force when both parties have signed.

Along with the Grant Agreement, a budget (Attachment IV) for the 2007 fiscal year must be submitted detailing the categories and match sources for the funding. Please see the Program Design section of this manual (page 5) for eligible and ineligible activities.

FUNDS DISBURSEMENT

All funds are disbursed by reimbursement only and must adhere to the following guidelines:

- To request a disbursement, a grantee must submit a **Request for Reimbursement** (Attachment V) by mail or fax to DHCD.
- Along with the Request for Reimbursement, the grantee must submit an **ESG Summary of Expenditures** form (Attachment VI) detailing expenses incurred during the previous month. The ESG Summary of Expenditures form **must be submitted** with the Request for Reimbursement. If it is not, the request will be returned.
- Expenses must be recorded on the ESG Summary of Expenditures form in accordance with the approved budget. The proper category and expense account number must correspond with all reported expenses before the reimbursement request can be approved.
- Requests for ESG funds must be submitted on a monthly basis for expenses incurred in the preceding month and must arrive at DHCD by the 15th day of the month. (For example, requests for expenses incurred in July must be received at DHCD by August 15th.) Requests not meeting these guidelines will not be processed.

REPORTING AND MONITORING

- All ESG grantees, including winter shelters, must submit **Statistical Reports** to DHCD on a quarterly basis. Statistical Reports must be submitted for each of the four quarters in fiscal year 2007, even if ESG funds are not expended in the quarter. Statistical Reports are only accepted electronically to the Housing and Homeless Assistance unit of DHCD (hhaunit@dhcd.virginia.gov). Electronic reporting instructions and forms are located on the DHCD website (www.dhcd.virginia.gov) as well as the DHCD Homeless Programs Group site at <http://groups.yahoo.com/group/DHCDHomelessPrograms>.
- The due dates for the Statistical Reports are:
 - October 10, 2006
 - January 10, 2007
 - April 10, 2007
 - July 10, 2007
- An **ESG Quarterly Match Funds Summary** report must be submitted. Please note that there are two ESG Quarterly Match Funds Summary reports; one to document cash contributions (Attachment VII) and one to document in-kind contributions (Attachment VIII). The reports may be faxed or mailed to DHCD.
- The due dates for the ESG Quarterly Match Funds Summary reports are:
 - October 10, 2006
 - January 10, 2007
 - April 10, 2007
 - July 10, 2007
- Failure to submit reports by the required due dates may result in a hold on DHCD grant disbursements. Repeated non-compliance with reporting requirements may result in further grant restrictions.
- An **ESG Closeout Report** (Attachment IX) must be submitted when all ESG funds are expended.
- DHCD staff will monitor the use of grant funds through a combination of a thorough review of all quarterly reports, audit reviews, and site visits.

FINANCIAL STATEMENTS

All ESG grantee organizations receiving more than \$500,000 in total Emergency grant awards annually are required to submit an annual independent audit to DHCD in accordance with Emergency audit standards. All ESG grantee organizations receiving less than \$500,000 must submit an audited financial statement prepared by an independent auditing firm in accordance with ESG program guidelines.

All ESG Grantees who have interest earnings from deposits of ESG funds in excess of \$100 a year must return the interest to the U.S. Department of Housing and Urban Development.

CATALOG OF EMERGENCY DOMESTIC ASSISTANCE

The Catalog of Emergency Domestic Assistance number (CFDA) for ESG is 14.231. This number must be made available to the accountants who perform your organization's audit or audited financial statements.

REQUIREMENTS FOR ALL FISCAL YEAR 2006-2007 GRANTEES

MAINTENANCE OF FACILITIES

All ESG grantees must be able to maintain facilities in such a manner that they meet certain minimum standards. DHCD will use the U. S. Department of Housing and Urban Development Housing Quality Standards (HQS) as a basis for ensuring the safety of all occupants. The grantee is responsible for ensuring that all funded facilities meet these standards (See HQS form, www.hudclips.org/sub_nonhud/html/pdf/forms/52580.pdf). ESG funds awarded for facilities that fail to meet minimum standards will be de-obligated and grant funds repaid to DHCD.

PLACEMENT OF HOUSEHOLDS

All emergency shelters receiving ESG funds (excluding winter shelters and day shelters) must be able to document placement of a **minimum of 10% of the homeless households served in fiscal year 2006-2007 into transitional or permanent housing**. Providers of transitional housing receiving ESG funds must be able to document placement of a **minimum of 50% of the households who complete the transitional housing program in fiscal year 2006-2007 into permanent housing**. "Household" is defined as an individual or the total number of persons who occupy a particular dwelling including persons who may not be related to the householder.

HANDICAPPED ACCESSIBILITY

All ESG grantees must submit a statement describing the handicapped accessibility of every facility to be assisted with ESG funds. If a facility is not handicapped accessible, the applicant must submit a detailed plan for sheltering a handicapped person. Specific shelters and/or motels should be named as alternate sources of shelter, with a description of their handicapped accessibility.

DAY SHELTERS

Day shelters also serving low-income, non-homeless populations must institute or have in place a method of documenting homelessness and determining an accurate count of homeless persons served. DHCD staff will review the system during monitoring visits. Day shelters that are unable to verify the number of homeless persons identified in the Application for Fiscal Year 2006-2007 funding will either repay ESG funds or lose funds that have not been disbursed.

ADDITIONAL REQUIREMENTS FOR NEW ESG GRANTEES

NOTE: A new ESG grantee is one that did not receive ESG funds in fiscal year 2005-2006. All

information must be received before ESG funds are disbursed.

NONPROFIT INFORMATION

All **new** nonprofit grantees must submit copies of:

1. Internal Revenue Service 501(c)3 Designation
2. Articles of Incorporation
3. State Corporation Certificate
4. Agency By-laws
5. Organizational Chart and Staff Structure

SUPPLEMENTAL INFORMATION

1. All new ESG grantees must provide a brochure or brief description of the agency's programs and a picture of all facilities.
2. All new ESG grantees must be able to document the **delivery of supportive services** designed to assist homeless households in the transition to independence. Winter shelters and day shelters **only** are excluded from this requirement.
 - If the services offered are part of an in-house program, include brochures or pamphlets describing these services. If such publications are not available, include a letter, on the applicant's letterhead, signed by the Executive Director or Board President stating what services are offered.
 - If services are to be accessed through referral to other agencies or providers, include letters from each stating that they provide the service(s) to clients from the applicant's program. Letters do not have to be submitted to DHCD before ESG funds are disbursed. However, grantees unable to provide such letters in a timely manner will have the ESG funds de-obligated and must repay any funds that have been disbursed.

PROGRAM DESIGN FOR ALL APPLICANTS

ELIGIBLE ACTIVITIES

ESG funds may be used for one or more of the following activities:

1. ESG funds, not to exceed 10% of the total ESG award, may be used for staff costs.
2. ESG funds may be used for payment of shelter maintenance, operation (including administrative expenses [excluding staff costs]), rent, security, fuels, insurance, utilities, food and furnishings for emergency shelters, winter shelters, day shelters, and transitional housing facilities.
3. Primarily religious organizations must agree to provide all eligible activities under this program in a manner that is free from religious influences and in accordance with the specific regulations found in the attached Emergency Register.

INELIGIBLE ACTIVITIES

ESG funds may not be used for the following activities or for any activity that is in violation of Emergency law or the laws of the Commonwealth of Virginia:

1. ESG funds may not be used for the provision of services to persons other than those who are homeless (see Attachment I - Definitions). For the purposes of this grant, children or juveniles who are wards of the state are not considered homeless persons.
2. ESG funds may not be used for prevention activities.
3. ESG funds may not be used for the provision of emergency shelter wherein the payment of a fee or other compensation is a requirement to receive shelter;
4. ESG funds may not be used for the provision of transitional housing or any other housing for the homeless if any of the following apply:
 - The applicant receives a HUD Supportive Housing grant, Section 8 Program subsidy or any other government rental subsidy to operate the facility;
 - Rents charged exceed 30% of the resident's income;
 - The total annual income from rents exceeds 50% of the last year's total budget for the transitional housing program;
5. ESG funds may not be used for staff costs exceeding 10% of the ESG award;
6. ESG funds may not be used to acquire/purchase real property (buildings, land, and structures), including mortgage payments;
7. ESG funds may not be used for building conversion or shelter renovation, rehabilitation, or repair, or the fees associated with these activities;
8. ESG funds may not be used for the provision of beds for which third-party payments are received. This includes per diem payments from the Department of Social Services, the Department of Corrections, and other State agencies. FEMA funding is not included.
9. ESG funds may not be used to pay the costs associated with audits or audited financial statements.
10. ESG funds may not be used for the purchase of computers including laptops.
11. ESG funds may not be used for travel or staff training.

PARTICIPATION IN CONTINUUM OF CARE PLANNING

A Continuum of Care (CoC) plan identifies housing and service needs for homeless individuals and families; and facilitates a coordinated, comprehensive, and community-based response to the identified needs. A CoC plan includes an inventory of existing resources for prevention, outreach and assessment, emergency shelter, transitional and permanent housing and available supportive services; an evaluation of the demand for housing and services; and the identification of the gap between the existing resources and the need.

All ESG grantees must **actively participate** in any ongoing statewide, local or regional Continuum of Care plan or in any work group in which a local or regional Continuum of Care plan is under development or consideration that includes all or any part of the grantee's service area. **Failure to actively participate will result in suspension of funding and may result in recapture of ESG funds.**

FAIR HOUSING

All fiscal year 2006-2007 ESG grantees must perform and document action in the area of enforcement and/or promotion to affirmatively further fair housing. During the grant year (July 1, 2006 - June 30, 2007) grantees must carry out a minimum of one activity to promote fair housing. The activity may be chosen from the following list or may be one that has been specifically approved by the Program Administrator.

1. Adopt a resolution endorsing the concept of fair housing and advertising the resolution through the local media.
2. Enact a local fair housing ordinance substantially equivalent to Emergency or State law.
3. Attend a fair housing workshop offered or approved by DHCD. A member of the Board or governing body, or the chief administrative official and another appropriate representative (local realtor, banker, etc.) must attend a fair housing workshop.
4. Provide all project beneficiaries with a copy of the Department of Professional and Occupational Regulation's (DPOR) fair housing brochure.
5. Enlist the participation of local realtors, lenders, and homebuilders in an agreement and promotion of affirmative marketing, open housing, and review of underwriting, credit criteria, etc. The agreement must be published through the local media.
6. Conduct a public educational program for local housing consumers and providers and/or financial institutions regarding fair housing issues.
7. Develop a public information network using local newspapers, radio stations, bulletin boards, churches, utility bill mailing, etc. to ensure all segments of the community are aware of fair housing requirements, especially realtors, landlords, financial institutions, and minority households.
8. Develop a fair housing assistance program to make housing opportunities known to minorities, to monitor compliance, and to refer discrimination complaints to the proper authorities.
9. Assess the special housing problems of women and minorities through surveys, etc. and determine any effects of discrimination. Develop a plan to assist in overcoming these effects.
10. Develop or fund a community-based fair housing organization.

PROCESS FOR TERMINATING ASSISTANCE

All fiscal year 2006-2007 ESG grantees must have a formal process for terminating assistance to an individual or family. At a minimum, there must be an appeals procedure with one level of administrative review for clients who are evicted or refused service from the facility for any reason. Clients must be informed in writing of the appeals procedure at intake.

Those applicants with small programs and limited staff may have the Executive Director hear all appeals. At a minimum, someone other than the person who made the initial termination of services

must hear any appeals. For those applicants with larger programs, a procedure allowing for two or more levels of appeal is appropriate and expected.

The formal process for terminating assistance is required through the Housing and Community Development Act of 1992.

INVOLVEMENT OF HOMELESS PERSONS

All fiscal year 2006-2007 ESG grantees must involve homeless individuals and families in the maintenance and operation of facilities, and in the provision of services to residents of these facilities to the maximum extent possible. Methods of achieving client involvement may include having a suggestion box; using chore lists and exit interviews; conducting regularly scheduled house meetings; encouraging clients to assist with children's programs, parenting classes or vocational training; or service as members of the Board.

The involvement of homeless persons is required through the Housing and Community Development Act of 1992.

LEAD-BASED PAINT

All emergency shelter and transitional housing facilities constructed prior to 1978 must be inspected to determine the possible presence of lead-based paint hazards. DHCD staff will perform the initial inspections and recommend appropriate actions. See Attachment III – Lead Safe Housing regulations.

PROCUREMENT PROCEDURES

Each ESG grantee must have an appropriate procurement procedure in place. At a minimum, three telephone bids must be obtained for any equipment or furniture purchases to be charged totally or in part to ESG.

NOTE: Refer to the Grant Agreement Fiscal Year 2006-2007 Emergency Shelter Grant and the Emergency Register part II 24 CFR Part 576 (Attachment II) for other requirements, including but not limited to accounting records, maintenance of records, contract security, third-party contracts, conflict of interest, confidentiality of records pertaining to family violence, and drug-free workplaces.

Attachment I - Definitions

The words and terms listed, when used in these guidelines, shall have the following meaning unless the context clearly indicates otherwise.

Application	The written request for grant funding under this program.
Capacity	Maximum number of full-year resident beds at a facility available for use by the homeless as approved by the local building official.
DHCD	Virginia Department of Housing and Community Development. The state funding source that provides financial and technical assistance to local governments, non-profits and other organizations to expand Virginia's housing opportunities and to meet the needs of low-income citizens.
Day Shelter	A shelter that allows unsheltered homeless individuals to come into during the day to take care of basic necessities such as food, showers, laundry.
Emergency Shelter	Any facility where the primary purpose is to provide temporary or transitional shelter for the homeless in general or for specific populations of the homeless. Short-term is defined at 6 months or less.
ESG	The SHARE Emergency Shelter Grant, funded through the U.S. Department of Housing and Urban Development.
Facility	All or any portion of buildings, structures, cities, complexes, equipment, rolling stock or other conveyances, roads, walks, passageways, parking lots, or other real or personal property, includes the site where the building, property, structure, or equipment is located.
FY 2006	The state fiscal year July 1, 2005 through June 30, 2006
FY 2007	The state fiscal year July 1, 2006 through June 30, 2007
Grant Agreement	Contract between DHCD and the ESG grantee containing the terms and conditions provided for within this program.
Grantee	The person or legal entity to which a grant is awarded and that is accountable for the use of the funds provided.
HUD	The U. S. Department of Housing and Urban Development. The emergency funding source for ESG, HOME, HOPWA and CDBG.
HQS	A set of structural and maintenance standards established by the U. S. Department of Housing and Urban Development.
Handicapped Accessibility	The absence of architectural or communication barriers which restrict full access to a facility by an individual with a physical or mental impairment.
Homeless	<ol style="list-style-type: none"> 1. An individual or family which lacks a fixed, regular, and adequate nighttime residence: or 2. An individual or family which has a primary nighttime residence that is: <ol style="list-style-type: none"> (a) A supervised publicly or privately operated shelter designed to provide temporary living conditions (including welfare hotels, congregate shelters, and transitional housing for persons with mental illness; (b) An institution that provides a temporary residence for individuals intended to be institutionalized: or

	<p>(c) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.</p> <p>3. The term does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State law.</p> <p>4. The term does not include any individual or family living in structures that are not physically sound, or those who are living with friends or family in a structure meant to house one family or individual (doubled-up or overcrowded conditions).</p> <p>5. The term does not apply to those are who considered at imminent danger of becoming homeless due to eviction or foreclosure. If eviction or foreclosure occurs, the individual or family may be considered homeless if there are no other housing resources available to them.</p>
Homeless Facility	A structure used as an emergency shelter, transitional housing, winter shelter, or day shelter.
Linkage	A formal or semi-formal arrangement or agreement with another organization to provide services for the clientele of the applicant organization. Does not include simple resources that are used as referrals unless such resources have the arrangement noted above.
Local Approval	Endorsement of a project proposed by a nonprofit organization by an authorized local government official.
Locality	Is a city, county or town located within the Commonwealth of Virginia.
Maintenance	Routine repairs to a building or property to assure its continued safe, sanitary, and energy-efficient use.
Permanent Housing	A home or apartment, including Section 8, Single Room Occupancy Facilities (SRO) or Public Housing, in which the household plans to stay for a period of time.
Referral	The act of recommending, to a client, a service or services available through another agency, organization, or department. Such a recommendation may be structured and formal to the extent that it includes contact with the referral and follow-up with the client, or it may be unstructured.
Rehabilitation	Substantial physical improvements/repairs to a facility which will secure it structurally; correct building, health, or fire safety code defects; increase energy efficiency; and assure safe and sanitary occupancy.
Service Area	The geographic area or jurisdiction served by a nonprofit organization or a local government Project Sponsor.
SSG	State Shelter Grant
Transitional Housing	Facilities for the homeless designed to meet their longer-term temporary housing and human service needs, wherein the typical stay is over thirty (30) days and less than two years. Facilities identified as transitional housing for HUD funding and/or other grants, brochures, or annual reports must be identified as transitional housing when applying for ESG or SSG funding.
Winter Shelter	Seasonal facilities open during inclement months of the year, providing, at a minimum, beds and food to homeless persons. Other supportive services may be offered.

Attachment II - Emergency Register Part II 24 CFR Part 576

TITLE 24--HOUSING AND URBAN DEVELOPMENT

SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT

PART 576--EMERGENCY SHELTER GRANTS PROGRAM: STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT

Subpart A--General

Sec.--

576.1 Applicability and purpose.

576.3 Definitions.

576.5 Allocation of grant amounts.

Subpart B--Eligible Activities

576.21 Eligible activities.

576.23 Limitations--Primarily religious organizations.

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Subpart C--Award and Use of Grant Amounts

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576.33 Review and approval of applications.

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Subpart D--Reallocations

576.41 Reallocation; lack of approved consolidated plan--formula cities
and counties.

576.43 Reallocation of grant amounts; lack of approved consolidated
plan--States, territories, and Indian tribes.

576.45 Reallocation of grant amounts; returned or unused amounts.

Subpart E--Program Requirements

576.51 Matching funds.

576.53 Use as an emergency shelter.

576.55 Building standards.

576.56 Homeless assistance and participation.

576.57 Other Emergency requirements.

576.59 Relocation and acquisition.

Subpart F--Grant Administration

576.61 Responsibility for grant administration.

576.63 Method of payment.

576.65 Record keeping.

576.67 Sanctions.

Authority: 42 U.S.C. 3535(d) and 11376.

Source: 54 FR 46799, Nov. 7, 1989, unless otherwise noted.

Subpart A--General

Sec. 576.1 Applicability and purpose.

This part implements the Emergency Shelter Grants program contained in subtitle B of title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11371-11378). The program authorizes the Secretary to make grants to States, units of general local government, territories, and Indian tribes (and to private nonprofit organizations providing assistance to homeless individuals in the case of grants made with reallocated amounts) for the rehabilitation or conversion of buildings for use as emergency shelter for the homeless, for the payment of certain operating expenses and essential services in connection with emergency shelters for the homeless, and for homeless prevention activities. The program is designed to be the first step in a continuum of assistance to enable homeless individuals and families to move toward independent living as well as to prevent homelessness.

[61 FR 51548, Oct. 2, 1996]

Sec. 576.3 Definitions.

The terms Grantee and HUD are defined in 24 CFR part 5.

Administrative costs means as the term is defined in Sec. 583.135(b) of this part, except that the exclusion relates to the costs of carrying out eligible activities under Sec. 576.21(a).

Consolidated plan means the plan prepared in accordance with part 91 of this title. An approved consolidated plan means a consolidated plan that has been approved by HUD in accordance with part 91 of this title.

Conversion means a change in the use of a building to an emergency shelter for the homeless under this part, where the cost of conversion and any rehabilitation costs exceed 75 percent of the value of the building after conversion.

Emergency shelter means any facility, the primary purpose of which is to provide temporary or transitional shelter for the homeless in general or for specific populations of the homeless.

Essential services includes services concerned with employment, health, drug abuse, and education and may include (but are not limited to):

- (1) Assistance in obtaining permanent housing.
- (2) Medical and psychological counseling and supervision.
- (3) Employment counseling.
- (4) Nutritional counseling.
- (5) Substance abuse treatment and counseling.

(6) Assistance in obtaining other Emergency, State, and local assistance including mental health benefits; employment counseling; medical assistance; Veteran's benefits; and income support assistance such as Supplemental Security Income benefits, Aid to Families with Dependent Children, General Assistance, and Food Stamps;

(7) Other services such as child care, transportation, job placement and job training; and

- (8) Staff salaries necessary to provide the above services.

Formula city or county means a metropolitan city or urban county that is eligible to receive an allocation of grant amounts under Sec. 576.5.

Homeless means as the term is defined in 42 U.S.C. 11302.

Homeless prevention means activities or programs designed to prevent the incidence of homelessness, including (but not limited to):

- (1) Short-term subsidies to defray rent and utility arrearages for families that have received eviction or utility termination notices;
- (2) Security deposits or first month's rent to permit a homeless family to move into its own apartment;
- (3) Mediation programs for landlord-tenant disputes;

(4) Legal services programs for the representation of indigent tenants in eviction proceedings;

(5) Payments to prevent foreclosure on a home; and

(6) Other innovative programs and activities designed to prevent the incidence of homelessness.

Indian tribe means as the term is defined in 42 U.S.C. 5302(a).

Major rehabilitation means rehabilitation that involves costs in excess of 75 percent of the value of the building before rehabilitation.

Metropolitan city means a city that was classified as a metropolitan city under 42 U.S.C. 5302(a) for the fiscal year immediately preceding the fiscal year for which emergency shelter grant amounts are made available.

Nonprofit recipient means any private nonprofit organization providing assistance to the homeless, to which a State or unit of general local government distributes emergency shelter grant amounts.

Obligated means that the grantee or State recipient, as appropriate, has placed orders, awarded contracts, received services, or entered similar transactions that require payment from the grant amount. Grant amounts that a unit of general local government or State awards to a private nonprofit organization by a written agreement or letter of award requiring payment from the grant amount are obligated.

Private nonprofit organization means as the term is defined in 42 U.S.C. 11371.

Rehabilitation means the labor, materials, tools, and other costs of improving buildings, other than minor or routine repairs. The term includes where the use of a building is changed to an emergency shelter and the cost of this change and any rehabilitation costs does not exceed 75 percent of the value of the building before the change in use.

Renovation means rehabilitation that involves costs of 75 percent or less of the value of the building before rehabilitation.

Responsible entity means as the term is defined in Sec. 58.2 of this title, as applied though Sec. 58.1(b)(3) of this title and Sec. 576.57(e).

State means each of the several States and the Commonwealth of Puerto Rico.

Territory means each of the following: the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, Palau (Trust Territory of the Pacific), and any other territory or possession of the United States.

State recipient means any unit of general local government or nonprofit organization to which a State makes available emergency shelter grant amounts.

Unit of general local government means any city, county, town, township, parish, village, or other general purpose political subdivision of a State.

Urban county means a county that was classified as an urban county under 42 U.S.C. 5302(a) for the fiscal year immediately preceding the fiscal year for which emergency shelter grant amounts are made available.

Value of the building means the monetary value assigned to a building by an independent real estate appraiser, or as otherwise reasonably established by the grantee or the State recipient.

[54 FR 46799, Nov. 7, 1989, as amended at 56 FR 56128, Oct. 31, 1991; 60 FR 1918, Jan. 5, 1995; 61 FR 5210, Feb. 9, 1996; 61 FR 51548, Oct. 2, 1996]

Sec. 576.5 Allocation of grant amounts.

(a) Territories. HUD will set aside for allocation to the

territories an amount equal to 0.2 percent of the total amount of each appropriation under this part in any fiscal year. HUD will allocate this set-aside amount to each territory based upon its proportionate share of the total population of all territories.

(b) States, metropolitan cities, urban counties, and Indian tribes. HUD will allocate the amounts that remain after the set-aside to territories under paragraph (a) of this section, to States, metropolitan cities, urban counties, and Indian tribes, as provided in 42 U.S.C. 11373. HUD will subsequently distribute the amount set aside for Indian tribes under this paragraph as provided in Sec. 576.31.

(c) Notification of allocation amount. HUD will notify in writing each State, metropolitan city, urban county, and territory that is eligible to receive an allocation under this section of the amount of its allocation.

[61 FR 51549, Oct. 2, 1996]

Subpart B--Eligible Activities

Sec. 576.21 Eligible activities.

(a) Eligible activities. Emergency shelter grant amounts may be used for one or more of the following activities relating to emergency shelter for the homeless:

(1) Renovation, major rehabilitation, or conversion of buildings for use as emergency shelters for the homeless;

(2) Provision of essential services to the homeless, subject to the limitations in paragraph (b) of this section;

(3) Payment for shelter maintenance, operation, rent, repairs, security, fuel, equipment, insurance, utilities, food, and furnishings. Not more than 10 percent of the grant amount may be used for costs of staff;

(4) Developing and implementing homeless prevention activities, subject to the limitations in 42 U.S.C. 11374(a)(4) and paragraph (c) of this section. Grant funds may be used under this paragraph to assist families that have received eviction notices or notices of termination of utility services only if the conditions stated in 42 U.S.C. 11374(a)(4) are met; and

(5) Administrative costs, in accordance with 42 U.S.C. 11378.

(b) Limitations on provision of essential services. (1) Grant amounts provided by HUD to units of general local government, territories, or Indian tribes, and grant amounts provided by a State to State recipients, may be used to provide an essential service under paragraph (a)(2) of this section only if the service is a new service, or is a quantifiable increase in the level of a service above that which the unit of general local government (or, in the case of a nonprofit organization, the unit of general local government in which the proposed activities are to be located), territory, or Indian tribe, as applicable, provided with local funds during the 12 calendar months immediately before the grantee or State recipient received initial grant amounts.

(2) Limits on the use of assistance for essential services established in 42 U.S.C. 11374(a)(2) are applicable even when the unit of local government, territory, or Indian tribe provides some or all of its grant funds to a nonprofit recipient. This limitation may be waived in accordance with 42 U.S.C. 11374.

(c) Limitation on homeless prevention activities. Limits on the use of assistance for homeless prevention activities established in 42 U.S.C. 11374(a)(4) are applicable even when the unit of local government, territory, or Indian tribe provides some or all of its grant

funds to a nonprofit recipient.

[61 FR 51549, Oct. 2, 1996]

Sec. 576.23 Limitations--Primarily religious organizations.

(a) Provision of assistance. (1) Assistance may be provided under this part to a grantee or recipient that is a primarily religious organization if the primarily religious organization agrees to provide all eligible activities under this program in a manner that is free from religious influences and in accordance with the following principles:

(i) It will not discriminate against any employee or applicant for employment on the basis of religion and will not limit employment or give preference in employment to persons on the basis of religion;

(ii) It will not discriminate against any person applying for shelter or any of the eligible activities under this part on the basis of religion and will not limit such housing or other eligible activities or give preference to persons on the basis of religion; and

(iii) It will provide no religious instruction or counseling, conduct no religious services or worship (not including voluntary nondenominational prayer before meetings), engage in no religious proselytizing, and exert no other religious influence in the provision of shelter and other eligible activities under this part.

(2) HUD may provide reallocated amounts to a recipient that is a primarily religious organization if the assistance will not be used by the organization to acquire a structure (in the case of homeless prevention activities under Sec. 576.21(a)(4)), or to rehabilitate a structure owned by the organization, except as described in paragraph (b) of this section.

(b) Rehabilitation or conversion of emergency shelters. Grants may be used to rehabilitate or convert to an emergency shelter a structure that is owned by a primarily religious organization, only if:

(1) The structure (or portion thereof) that is to be renovated, rehabilitated, or converted with HUD assistance has been leased to an existing or newly established wholly secular organization;

(2) The HUD assistance is provided to the secular organization (and not the religious organization) to make the improvements;

(3) The leased structure will be used exclusively for secular purposes available to all persons;

(4) The lease payments paid to the primarily religious organization do not exceed the fair market rent for the structure before the renovation, rehabilitation, or conversion;

(5) The portion of the cost of any improvements that benefit any unleased portion of the structure will be allocated to, and paid for by, the religious organization; and

(6) The primarily religious organization agrees that if the recipient does not retain the use of the leased premises for wholly secular purposes for the useful life of the improvements, the primarily religious organization will pay to the original grantee (from which the amounts used to renovate, rehabilitate, or convert the building were derived) an amount equal to the residual value of the improvements. A private nonprofit organization must remit to HUD this amount if the organization is the lessee as well as the grantee. The original grantee is expected to use this amount to alleviate homelessness in its jurisdiction, but there is no requirement that funds received after the close of the grant period be used in accordance with the requirements of this part.

(c) Assistance to a wholly secular private nonprofit organization. (1) A primarily religious organization may establish a wholly secular private nonprofit organization to serve as a recipient. The secular

organization may be eligible to receive all forms of assistance available under this part, subject to the following:

(i) The secular organization must agree to provide shelter and services eligible under this part in a manner that is free from religious influences and in accordance with the principles set forth in paragraph (a)(1) of this section.

(ii) The secular organization may enter into a contract with the religious organization to provide essential services or undertake homeless prevention activities. The religious organization must agree in the contract to carry out its contractual responsibilities in a manner free from religious influences and in accordance with the principles set forth in paragraph (a)(1) of this section.

(iii) The rehabilitation, conversion, or renovation of emergency shelters are subject to the requirements of paragraph (b) of this section.

(2) HUD will not require the religious organization to establish the secular organization before the selection of its application. In such a case, the religious organization may apply on behalf of the secular organization. The application will be reviewed on the basis of the religious organization's financial responsibility and capacity, and its commitment to provide appropriate resources to the secular organization after formation. After formation, a secular organization that is not in existence at the time of the application will be required to demonstrate that it meets the definition of private nonprofit organization contained in Sec. 576.3. The obligation of funds will be conditioned upon compliance with these requirements.

[61 FR 51549, Oct. 2, 1996]

Sec. 576.25 Who may carry out eligible activities.

(a) Generally. As provided in 42 U.S.C. 11373 eligible activities may be carried out by all State recipients and grantees, except States.

(b) States. All of a State's formula allocation, except for administrative costs, must be made available to the following entities:

(1) Units of general local government in the State, which may include formula cities and counties even if such cities and counties receive grant amounts directly from HUD; or

(2) Private nonprofit organizations, in accordance with 42 U.S.C. 11373(c).

(c) Nonprofit recipients. Units of general local government, territories, and Indian tribes may distribute all or part of their grant amounts to nonprofit recipients to be used for emergency shelter grant activities.

[61 FR 51549, 51550, Oct. 2, 1996]

Subpart C--Award and Use of Grant Amounts

Source: 54 FR 46799, Nov. 7, 1989, unless otherwise noted. Redesignated at 61 FR 51550, Oct. 2, 1996.

Sec. 576.31 Application requirements.

(a) Indian tribes. After funds are set aside for allocation to Indian tribes under Sec. 576.5, HUD will publish a Notice of Funding Availability (NOFA) in the Emergency Register. The NOFA will specify the requirements and procedures applicable to the allocation and competitive awarding of these set-aside funds to eligible Indian tribe applicants.

(b) States, territories, and formula cities and counties. To receive

emergency shelter grant amounts, a State, territory, or formula city or county must:

- (1) Submit documentation required under this part, part 5 of this title, or any other applicable provisions of Emergency law; and
- (2) Submit and obtain HUD approval of a consolidated plan that includes activities to be funded under this part. This consolidated plan serves as the jurisdiction's application for funding under this part.

[61 FR 51550, Oct. 2, 1996]

Sec. 576.33 Review and approval of applications.

(a) Conditional grant. HUD may make a conditional grant restricting the obligation and use of emergency shelter grant amounts. Conditional grants may be made where there is substantial evidence that there has been, or there will be, a failure to meet the requirements of this part. In such a case, the reason for the conditional grant, the action necessary to remove the condition, and the deadline for taking those actions will be specified. Failure to satisfy the condition may result in imposition of a sanction under Sec. 576.69, or in any other action authorized under applicable Emergency law.

(b) Grant agreement. The grant will be made by means of a grant agreement executed by HUD and the grantee. HUD will not disburse funds before the grant agreement is fully executed.

[54 FR 46799, Nov. 7, 1989, as amended at 60 FR 1918, Jan. 5, 1995. Redesignated and amended at 61 FR 51550, Oct. 2, 1996]

Sec. 576.35 Deadlines for using grant amounts.

(a)(1) States. Each State must make available to its State recipients all emergency shelter grant amounts that it was allocated under Sec. 576.5 within 65 days of the date of the grant award by HUD. Funds set aside by a State for homeless prevention activities under Sec. 576.21(a)(4) must be made available to State recipients within 180 days of the grant award by HUD.

(2) State recipients--(i) Obligation of grant funds. Each State recipient must have its grant amounts obligated (as that term is defined at Sec. 576.3) within 180 days of the date on which the State made the grant amounts available to the State recipient. In the case of grants for homeless prevention activities under Sec. 576.21(a)(4), State recipients are required to obligate grant amounts within 30 days of the date on which the State made the grant amounts available to the State recipient.

(ii) Expenditure of grant funds. Each State recipient must spend all of its grant amounts within 24 months of the date on which the State made the grant amounts available to the State recipient. In the case of grants for homeless prevention activities, State recipients must spend such sums within 180 days of the date on which the State made the grant amounts available to the recipient.

(b) Formula cities and counties, territories and Indian tribes--Expenditure of grant funds. Each formula city or county, territory, and Indian tribe must spend all of the grant amounts it was allocated or awarded under Sec. 576.5 or 576.31 within 24 months of the date of the grant award by HUD.

(c) Failure to meet deadlines. (1) Any emergency shelter grant amounts that are not made available or obligated within the applicable time periods specified in paragraph (a)(1) or (b) of this section will be reallocated under Sec. 576.45.

(2) The State must recapture any grant amounts that a State recipient does not obligate and spend within the time periods specified in paragraph (a)(2) of this section. The State, at its option, must make these amounts and other amounts returned to the State (except amounts referred to in Sec. 576.22(b)(6) available as soon as practicable to other units of general local government for use within the time period specified in paragraph (a)(2) of this section or to HUD for reallocation under Sec. 576.45.

[54 FR 46799, Nov. 7, 1989. Redesignated and amended at 61 FR 51550, Oct. 2, 1996]

Subpart D--Reallocations

Source: 54 FR 46799, Nov. 7, 1989, unless otherwise noted. Redesignated at 61 FR 51550, Oct. 2, 1996.

Sec. 576.41 Reallocation; lack of approved consolidated plan--formula cities and counties.

(a) Applicability. This section applies where a formula city or county fails to submit or obtain HUD approval of its consolidated plan within 90 days of the date upon which amounts under this part first become available for allocation in any fiscal year.

(b) Grantee. HUD will make available to the State in which the city or county is located the amounts that a city or county referred to in paragraph (a) of this section would have received.

(c) Notification of availability. The responsible HUD field office will promptly notify the State of the availability of any reallocation amounts under this section.

(d) Eligibility for reallocation amounts. In order to receive reallocation amounts under this section, the State must:

(1) Execute a grant agreement with HUD for the fiscal year for which the amounts to be reallocated were initially made available.

(2) If necessary, submit an amendment to its application for that fiscal year for the reallocation amounts it wishes to receive. The amendment must be submitted to the responsible HUD field office no later than 30 days after notification is given to the State under paragraph (c) of this section.

(e) Amendment review and approval. (1) Section 576.33 governs the review and approval of application amendments under this section. HUD will endeavor to make grant awards within 30 days of the application amendment deadline, or as soon thereafter as practicable.

(2) Program activities represented by proposed amendments are subject to environmental review under Sec. 576.57 in the same manner as original proposals.

(f) Deadlines for using reallocated grant amounts. Section 576.35 governs the use of amounts reallocated under this section.

(g) Amounts that cannot be reallocated. Any grant amounts that cannot be reallocated to a State under this section will be reallocated as provided by Sec. 576.43. Amounts that are reallocated under this section, but that are returned or unused, will be reallocated under Sec. 576.45.

[54 FR 46799, Nov. 7, 1989, as amended at 56 FR 56128, Oct. 31, 1991; 60 FR 1918, Jan. 5, 1995. Redesignated and amended at 61 FR 51551, Oct. 2, 1996]

Sec. 576.43 Reallocation of grant amounts; lack of approved consolidated plan--States, territories, and Indian tribes.

(a) Applicability. This section applies when:

(1) A State, territory, or Indian tribe fails to obtain approval of its consolidated plan within 90 days of the date upon which amounts under this part first become available for allocation in any fiscal year; or

(2) Grant amounts cannot be reallocated to a State under Sec. 576.41.

(b) Grantees. (1) HUD will reallocate the amounts that a State or Indian tribe referred to in paragraph (a)(1) of this section would have received:

(i) In accordance with 42 U.S.C. 11373(d)(3); and

(ii) If grant amounts remain, then to territories that demonstrate extraordinary need or large numbers of homeless individuals.

(2) HUD will make available the amounts that a territory under paragraph (a)(1) of this section would have received to other territories that demonstrate extraordinary need or large numbers of homeless individuals.

(c) Notification of funding availability. HUD will make reallocations to States and Indian tribes under this section by direct notification or Emergency Register notice that will set forth the terms and conditions under which amounts under this section are to be reallocated and grant awards made. In the case of reallocations to Territories, the responsible HUD field office will promptly notify each Territory of any reallocation amounts under this section, and indicate the terms and conditions under which reallocation amounts are to be made available and grant awards made.

(d) Eligibility for reallocation amounts. In order to receive reallocation amounts under this section, the formula city or county, State, territory, or Indian tribe must:

(1) Submit an amendment, in accordance with 24 CFR part 91, to its consolidated plan for that program year to cover activities for the reallocation amount it wishes to receive; and

(2) Execute a grant agreement with HUD for the fiscal year for which the amounts to be reallocated were initially made available.

(e) Review and approval. (1) Section 576.53, and such additional requirements as HUD may specify in the notification under paragraph (c) of this section, govern the review and approval of application amendments under this section. HUD will rank the amendments and make grant awards under this section on the basis of the following factors:

(i) The nature and extent of the unmet homeless need within the jurisdiction in which the grant amounts will be used;

(ii) The extent to which the proposed activities address this need; and

(iii) The ability of the grantee to carry out the proposed activities promptly.

(2) HUD will endeavor to make grant awards within 30 days of the application amendment deadline, or as soon thereafter as practicable.

(f) Grant amounts. HUD may make a grant award for less than the amount applied for or for fewer than all of the activities identified in the application amendment.

(g) Deadlines for using reallocated amounts. Section 576.35 governs the use of amounts reallocated under this section.

(h) Amounts not reallocated. Any grant amounts that are not reallocated under this section, or that are reallocated, but are unused, will be reallocated under Sec. 576.45(d). Any amounts that are reallocated, but are returned, will be reallocated under Sec. 576.45(c).

[54 FR 46799, Nov. 7, 1989, as amended at 56 FR 56129, Oct. 31, 1991; 60 FR 1918, Jan. 5, 1995. Redesignated and amended at 61 FR 51551, Oct. 2, 1996]

Sec. 576.45 Reallocation of grant amounts; returned or unused amounts.

(a) General. From time to time, HUD will reallocate emergency shelter grant amounts that are returned or unused, as those terms are defined in paragraph (f) of this section. HUD will make reallocations under this section by direct notification or Emergency Register Notice that will set forth the terms and conditions under which the grant amounts are to be reallocated and grant awards are to be made.

(b) FEMA boards. HUD may use State and local boards established under the Emergency Food and Shelter Program administered by the Emergency Management Agency, as a resource to identify potential applicants for reallocated grant amounts.

(c) Reallocation--returned grant amounts--(1) States and formula cities and counties. HUD will endeavor to reallocate returned emergency shelter grant amounts that were initially allocated under Sec. 576.5 to a State or a formula city or county, for use within the same jurisdiction. Reallocation of these grant amounts is subject to the following requirements:

(i) Returned grant amounts that were allocated to a State will be made available (A) first, to units of general local government within the State and (B) if grant amounts remain, then to other States.

(ii) Returned grant amounts that were allocated to a formula city or county will be made available:

(A) First, for use in the city or county, to units of general local government that are authorized under applicable law to carry out activities serving the homeless in the jurisdiction;

(B) If grant amounts remain, then to the State in which the city or county is located;

(C) If grant amounts remain, to units of general local government in the State; and

(D) If grant amounts remain, to other States.

(2) Indian tribes. Returned grant amounts that were allocated to an Indian tribe will be made available to other Indian tribes.

(3) Territories. Returned grant amounts that were allocated to a territory will be made available, first, to other territories and, if grant amounts remain, then to States.

(4) Further reallocation: States, formula cities and counties, territories, and Indian tribes. HUD will reallocate under paragraph (e) of this section any grant amounts that remain after applying the preceding provisions of paragraph (c) of this section or that are returned to HUD after reallocation under those provisions.

(5) The responsible HUD field office will announce the availability of returned grant amounts. The announcement will establish deadlines for submitting applications, and will set out other terms and conditions relating to grant awards, consistent with this part. The announcement will specify the application documents to be submitted.

(6) The responsible HUD field office may establish maximum grant amounts, considering the grant amounts available, and will rank the applications using the criteria in paragraph (e) of this section.

(7) HUD may make a grant award for less than the amount applied for or for fewer than all of the activities identified in the application, based on competing demands for grant amounts and the extent to which the respective activities address the needs of the homeless.

(8) HUD will endeavor to make grant awards within 30 days of the

application deadline or as soon thereafter as practicable.

(9) Grants awarded under this section are subject to environmental review under Sec. 576.57.

(d) Reallocation--unused grant amounts. Unused grant amounts will be added to the appropriation for the fiscal year immediately following the fiscal year in which the amounts become available to HUD for reallocation, and will be allocated in accordance with the provisions of Sec. 576.5 of this part.

(e) Selection criteria. HUD will award grants under paragraph (c) of this section based on consideration of the following criteria:

(1) The nature and extent of the unmet homeless need within the jurisdiction in which the grant amounts will be used;

(2) The extent to which the proposed activities address this need; and

(3) The ability of the grantee to carry out the proposed activities promptly.

(f) Definitions--returned or unused grant amounts. (1) For purposes of this section, emergency shelter grant amounts are considered ``returned'' when they become available for reallocation because a jurisdiction does not execute a grant agreement with HUD for them.

(2) For purposes of this section, emergency shelter grant amounts are considered ``unused'' (i.e., Emergency deobligation):

(i) When they become available for reallocation by HUD after a grantee has executed a grant agreement with HUD for those amounts; or

(ii) The amounts remain after reallocation under Sec. 576.43 or paragraph (c) of this section.

[54 FR 46799, Nov. 7, 1989, as amended at 57 FR 54507, Nov. 19, 1992; 60 FR 1918, Jan. 5, 1995. Redesignated and amended at 61 FR 51551, Oct. 2, 1996]

Subpart E--Program Requirements

Source: 54 FR 46799, Nov. 7, 1989, unless otherwise noted. Redesignated at 61 FR 51550, Oct. 2, 1996.

Sec. 576.51 Matching funds.

(a) General. Each grantee, other than a territory, must match the funding provided by HUD under this part as set forth in 42 U.S.C. 11375. The first \$100,000 of any assistance provided to a recipient that is a State is not required to be matched, but the benefit of the unmatched amount must be shared as provided in 42 U.S.C. 11375(c)(4). Matching funds must be provided after the date of the grant award to the grantee. Funds used to match a previous ESG grant may not be used to match a subsequent grant award under this part. A grantee may comply with this requirement by providing the matching funds itself, or through matching funds or voluntary efforts provided by any State recipient or nonprofit recipient (as appropriate).

(b) Calculating the matching amount. In calculating the amount of matching funds, in accordance with 42 U.S.C. 11375(a)(3), the time contributed by volunteers shall be determined at the rate of \$5 per hour. For purposes of this paragraph, the grantee will determine the value of any donated material or building, or of any lease, using a method reasonably calculated to establish a fair market value.

[61 FR 51552, Oct. 2, 1996]

Sec. 576.53 Use as an emergency shelter.

(a)(1) Restrictions and definition. Period of use restrictions applicable to assistance provided under this part are governed by 42 U.S.C. 11375(a). Use of grant amounts for developing and implementing homeless prevention activities does not trigger period of use requirements.

(2) For purposes of the requirements under this section, the term same general population means either the same types of homeless persons originally served with ESG assistance (i.e., battered spouses, runaway children, families, or mentally ill individuals), or persons in the same geographic area.

(b) Calculating the applicable period. The 3- and 10-year periods applicable under paragraph (a) of this section begin to run:

(1) In the case of a building that was not operated as an emergency shelter for the homeless before receipt of grant amounts under this part, on the date of initial occupancy as an emergency shelter for the homeless.

(2) In the case of a building that was operated as an emergency shelter before receipt of grant amounts under this part, on the date that grant amounts are first obligated for the shelter.

[54 FR 46799, Nov. 7, 1989. Redesignated and amended at 61 FR 51552, Oct. 2, 1996]

Sec. 576.55 Building standards.

(a) Any building for which emergency shelter grant amounts are used for conversion, major rehabilitation, rehabilitation, or renovation must meet local government safety and sanitation standards.

(b) For projects of 15 or more units, when rehabilitation costs are:

(1) 75 percent or more of the replacement cost of the building, that project must meet the requirements of Sec. 8.23(a) of this title; or

(2) Less than 75 percent of the replacement cost of the building, that project must meet the requirements of Sec. 8.23(b) of this title.

[61 FR 51552, Oct. 2, 1996]

Sec. 576.56 Homeless assistance and participation.

(a) Assistance.

(1) Grantees and recipients must assure that homeless individuals and families are given assistance in obtaining:

(i) Appropriate supportive services, including permanent housing, medical health treatment, mental health treatment, counseling, supervision, and other services essential for achieving independent living; and

(ii) Other Emergency, State, local, and private assistance available for such individuals.

(2) Requirements to ensure confidentiality of records pertaining to the provision of family violence prevention or treatment services with assistance under this part are set forth in 42 U.S.C. 11375(c)(5).

(3) Grantees and recipients may, in accordance with 42 U.S.C. 11375(e), terminate assistance provided under this part to an individual or family who violates program requirements.

(b) Participation.

1) Each unit of local government, Indian tribe, and nonprofit recipient that receives funds under this part must provide for the participation of homeless individuals on its policymaking entity in accordance with 42 U.S.C. 11375(d).

(2) Each State, territory, Indian tribe, unit of local government, and nonprofit recipient that receives funds under this part must involve

homeless individuals and families in providing work or services pertaining to facilities or activities assisted under this part, in accordance with 42 U.S.C. 11375(c)(7).

[61 FR 51552, Oct. 2, 1996]

Sec. 576.57 Other Emergency requirements.

In addition to the Emergency requirements set forth in 24 CFR part 5, use of emergency shelter grant amounts must comply with the following requirements:

(a) Nondiscrimination and equal opportunity. The nondiscrimination and equal opportunity requirements at 24 CFR part 5 are modified as follows:

(1) Rehabilitation Act requirements. HUD's regulations at 24 CFR part 8 implement section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). For purposes of the emergency shelter grants program, the term ``dwelling units'' in 24 CFR part 8 shall include sleeping accommodations.

(2) Use of emergency shelter grant amounts must also comply with the requirement that the grantee or the State recipient make known that use of the facilities and services is available to all on a nondiscriminatory basis. If the procedures that the grantee or recipient intends to use to make known the availability of the facilities and services are unlikely to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for such facilities and services, the grantee or recipient must establish additional procedures that will ensure that such persons are made aware of the facilities and services. Grantees and recipients must also adopt procedures which will make available to interested persons information concerning the location of services and facilities that are accessible to persons with disabilities.

(b) Applicability of OMB Circulars.\1\ The policies, guidelines, and requirements of 24 CFR part 85 (codified pursuant to OMB Circular No. A-102) and OMB Circular No. A-87, as they relate to the acceptance and use of emergency shelter grant amounts by States and units of general local government, and Nos. A-110 and A-122 as they relate to the acceptance and use of emergency shelter grant amounts by private nonprofit organizations.

\1\ OMB Circulars referenced in this section are available at the Entitlement Cities Division, Room 7282, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410.

(c) The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this title apply to activities under this program.

(d) Conflicts of interest. In addition to the conflict of interest requirements in OMB Circulars A-102 and A-110, no person--

(1)(i) Who is an employee, agent, consultant, officer, or elected or appointed official of the grantee, State recipient, or nonprofit recipient (or of any designated public agency) that receives emergency shelter grant amounts and

(ii) Who exercises or has exercised any functions or responsibilities with respect to assisted activities, or

(2) Who is in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an

interest in any contract, subcontract, or agreement with respect thereto, or the proceeds there under, either for him or herself or for those with whom he or she has family or business ties, during his or her tenure, or for one year thereafter. HUD may grant an exception to this exclusion as provided in Sec. 570.611 (d) and (e) of this chapter.

(e) Environmental review responsibilities--(1) Generally. Responsible entities must assess the environmental effects of each application under part 58 of this title. An applicant must include in its application an assurance that the applicant will assume all the environmental review responsibility that would otherwise be performed by HUD as the responsible Emergency official under the National Environmental Policy Act of 1969 (NEPA) and related authorities listed in part 58 of this title. The grant award is subject to completion of the environmental responsibilities set out in part 58 of this title within a reasonable time period after notification of the award. This provision does not preclude the applicant from enclosing its environmental certification and Request for Release of Funds with its application.

(2) Awards to States. In the case of emergency shelter grants to States that are distributed to:

(i) Units of general local government, the unit of general local government shall be the responsible entity, and the State will assume HUD's functions with regard to the release of funds; or

(ii) Nonprofit organizations, the State shall be the responsible entity, and HUD will perform functions regarding release of funds under part 58 of this title.

(3) Release of funds. HUD will not release funds for an eligible activity if the grantee, recipient, or any other party commits emergency shelter grant funds before the grantee submits, and HUD approves, any required Request for Release of Funds.

(f) Audit. The financial management systems used by a State, formula city or county, governmental entity, or an Indian tribe that is a grantee under this program must provide for audits in accordance with part 44 of this title. A private nonprofit organization is subject to the audit requirements of OMB Circular A-133, as set forth in part 45 of this title. (OMB Circulars are available from the Executive Office of the President, Publication Service, 725 17th Street, NW., Suite G-2200, Washington, DC 20503, Telephone, 202-395-7332.)

(g) Audit. The financial management system used by a State or unit of general local government that is a grantee or State recipient must provide for audits in accordance with 24 CFR part 44. A private nonprofit organization is subject to the audit requirements of OMB Circular A-133, as set forth in 24 CFR part 45.

(h) Lobbying and disclosure requirements. The disclosure requirements and prohibitions of 42 U.S.C. 3537a and 3545 and 31 U.S.C.

1352 (the Byrd Amendment), and the implementing regulations at parts 4 and 87 of this title.

(i) Davis-Bacon Act. The provisions of the Davis-Bacon Act (40 U.S.C. 276a-276a-5) do not apply to this program.

(j) Intergovernmental review. The requirements of Executive Order 12372 and the regulations issued under the order at 24 CFR part 52, to the extent provided by Emergency Register notice in accordance with 24 CFR 52.3.

[54 FR 46799, Nov. 7, 1989, as amended at 57 FR 33256, July 27, 1992; 61 FR 5210, Feb. 9, 1996. Redesignated and amended at 61 FR 51552, Oct. 2, 1996; 64 FR 50226, Sept. 15, 1999]

Effective Date Note: At 64 FR 50226, Sept. 15, 1999, Sec. 576.57 was
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amended by revising paragraph (c), effective Sept. 15, 2000. For the convenience of the user, the superseded text is set forth as follows:

Sec. 576.57 Other Emergency requirements.

* * * * *

(c) Lead-based paint. The requirements, as applicable, of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846) and implementing regulations at 24 CFR part 35. In addition, the grantee (or in the case of States, the State recipient) must also meet the following requirements relating to inspection and abatement of defective lead-based paint surfaces:

(1) Treatment of defective paint surfaces must be performed before final inspection and approval of the renovation, rehabilitation or conversion activity under this part; and

(2) Appropriate action must be taken to protect shelter occupants from the hazards associated with lead-based paint abatement procedures.

* * * * *

Sec. 576.59 Relocation and acquisition.

(a) Minimizing displacement. Consistent with the other goals and objectives of this part, grantees and recipients must assure that they have taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of a project assisted under this part.

(b) Relocation assistance for displaced persons. A displaced person (defined in paragraph (f)(1) of this section) must be provided relocation assistance at the levels described in, and in accordance with, 49 CFR part 24, which contains the government-wide regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4601-4655).

(c) Real property acquisition requirements. The acquisition of real property for a project is subject to the URA and the requirements described in 49 CFR part 24, subpart B.

(d) Responsibility of grantees and recipients. Each grantee and recipient must assure that it will comply with the URA, the regulations at 49 CFR part 24, and the requirements of this section. The cost of assistance required by this section may be paid from local public funds, funds provided in accordance with this part, or funds available from other sources.

(e) Appeals. A person who disagrees with the grantee's or recipient's determination concerning a payment or other assistance required by this section may file a written appeal of that determination with the grantee or recipient. The appeal procedures to be followed are described in 49 CFR 24.10.

(f) Definition--(1) Displaced person. (i) The term ``displaced person'' means a person (family, individual, business, nonprofit organization, or farm) that moves from real property, or moves personal property from real property, permanently and involuntarily, as a direct result of acquisition, rehabilitation, or demolition for a project assisted under this part. Permanent, involuntary moves for an assisted project include:

(A) A permanent move from the real property (building or complex) following notice by the grantee, recipient or property owner to move permanently from the property, if the move occurs on or after the date that the grantee or recipient submits to HUD an application for assistance that is later approved and funded;

(B) A permanent move from the real property that occurs before the submission of the application to HUD, if the grantee, recipient or HUD determines that the displacement resulted directly from acquisition, rehabilitation, or demolition for the project, or

(C) A permanent move from the real property by a tenant-occupant of a dwelling unit that occurs after the execution of the agreement between the recipient and HUD if:

(1) The tenant has not been provided a reasonable opportunity to lease and occupy a suitable, decent, safe and sanitary dwelling in the same building/complex following the completion of the project at a rent, including estimated average utility costs, that does not exceed the greater of the tenant's rent and estimated average utility costs before the initiation of negotiations, or 30 percent of gross household income; or

(2) The tenant has been required to relocate temporarily but the tenant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation or other conditions of the temporary relocation are not reasonable, and the tenant does not return to the building/complex; or

(3) The tenant is required to move to another unit in the same building/complex but is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move.

(ii) A person does not qualify as a ``displaced person'' if:

(A) The person has been evicted for cause based upon a serious or repeated violation of material terms of the lease or occupancy agreement and HUD determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance;

(B) The person moved into the property after the submission of the application and, before commencing occupancy, received written notice of the expected displacement;

(C) The person is ineligible under 49 CFR 24.2(g)(2); or

(D) HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

(iii) The grantee or recipient may, at any time, request a HUD determination of whether a displacement is or would be covered under this section.

(2) Initiation of negotiations. For purposes of determining the type of replacement housing payment to be made to a residential tenant displaced as a direct result of privately undertaken rehabilitation, demolition, or acquisition of the real property, the term ``initiation of negotiations'' means the execution of the agreement between the grantee and HUD.

(Approved by the Office of Management and Budget under OMB control number 2506-0089)

[54 FR 46799, Nov. 7, 1989, as amended at 54 FR 52397, Dec. 21, 1989. Redesignated at 61 FR 51553, Oct. 2, 1996]

Subpart F--Grant Administration

Source: 54 FR 46799, Nov. 7, 1989, unless otherwise noted. Redesignated at 61 FR 51550, Oct. 2, 1996.

Sec. 576.61 Responsibility for grant administration.

Grantees are responsible for ensuring that emergency shelter grant amounts are administered in accordance with the requirements of this part and other applicable laws. The State, territory, Indian tribe, or unit of local government is responsible for ensuring that its recipients carry out the recipients' emergency shelter grant programs in compliance

with all applicable requirements in the case of:

- (a) A State making grant amounts available to State recipients; or
- (b) A territory, Indian tribe, or unit of general local government distributing grant amounts to nonprofit recipients.

[54 FR 46799, Nov. 7, 1989. Redesignated and amended at 61 FR 51553, Oct. 2, 1996]

Sec. 576.63 Method of payment.

Payments are made to a grantee upon its request after the grant agreement has been fully executed, and may include a working capital advance for 30 days' cash needs or an advance of \$5,000, whichever is greater. Thereafter, the grantee will be reimbursed for the amount of its actual cash disbursements. If a grantee requests a working capital advance, it must base the request on a realistic, firm estimate of the amounts required to be disbursed over the 30-day period in payment of eligible activity costs.

[54 FR 46799, Nov. 7, 1989. Redesignated and amended at 61 FR 51553, Oct. 2, 1996]

Sec. 576.65 Recordkeeping.

- (a) Each grantee must ensure that records are maintained for a 4-year period to document compliance with the provisions of this part.
- (b) Requirements to ensure confidentiality of records pertaining to the provision of family violence prevention or treatment services with assistance under this part are set forth in 42 U.S.C. 11375(c)(5).

[61 FR 51553, Oct. 2, 1996]

Sec. 576.67 Sanctions.

(a) HUD sanctions. If HUD determines that a grantee is not complying with the requirements of this part or of other applicable Emergency law, HUD may (in addition to any remedies that may otherwise be available) take any of the following sanctions, as appropriate:

- (1) Issue a warning letter that further failure to comply with such requirements will result in a more serious sanction;
- (2) Condition a future grant;
- (3) Direct the grantee to stop the incurring of costs with grant amounts;
- (4) Require that some or all of the grant amounts be remitted to HUD;
- (5) Reduce the level of funds the grantee would otherwise be entitled to receive; or
- (6) Elect not to provide future grant funds to the grantee until appropriate actions are taken to ensure compliance.

(b) State sanctions. If a State determines that a State recipient is not complying with the requirements of this part or other applicable Emergency laws, the State must take appropriate actions, which may include the actions described in paragraph (a) of this section. Any grant amounts that become available to a State as a result of a sanction under this section must, at the option of the State, be made available (as soon as practicable) to other nonprofit organizations or units of general local government located in the State for use within the time periods specified in Sec. 576.35(a)(2), or to HUD for reallocation under Sec. 576.45(d).

(c) Reallocations. Any grant amounts that become available to HUD as

a result of the imposition of a sanction under this section will be reallocated under Sec. 576.45(d).

[54 FR 46799, Nov. 7, 1989. Redesignated and amended at 61 FR 51553, Oct. 2,

1996]

Attachment III - Lead Safe Housing Regulations

HUD Regulation 1012-1013 –Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards if Emergency Owned Residential Property and Housing Receiving Emergency Assistance.

Effective September 15, 2000, the U. S. Dept. of Housing and Urban Development (HUD) implemented its new regulation titled “**Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Emergency Owned Residential Property and Housing Receiving Emergency Assistance**”.

The Virginia Department of Housing and Community Development, which is the state’s chief administering agency of Emergency housing funds throughout the Commonwealth of Virginia, has assumed a leadership role in educating our constituents on the impact of this new regulation on their activities associated with developing and rehabilitating low-income affordable housing. All projects receiving Emergency HOME Investment Partnership Program money (HOME), Community Development Block Grant money (CDBG), Emergency Shelter Grants (ESG), Housing Opportunities for Persons with AIDS (HOPWA) money, and Supportive Housing Grants will be required to evaluate any residential or residential use property built before 1978 for the presence of lead-based paint, and treat any such identified hazards. In addition, only properly certified personnel may be placed on projects above a certain dollar amount.

The new requirements emphasize “safe work practices” which are intended to reduce the generation of dust and prevent contamination of the property. Safe work practices help to protect residents and contractors from lead exposure.

Contractors should know how to protect themselves, their workers, and residents from lead paint dust, paint chips and contaminated soil. Working safely with lead requires few new tools and techniques. Contractors should follow these simple steps to minimize the risk of lead poisoning:

General Precautions

- Identify tasks on each project where children should be excluded because they may be exposed to lead dust.
- Ensure that durable plastic sheeting and tape are available to isolate the worksite and cover the floor and ground.
- Before sanding or scraping, use a spray bottle to dampen painted surfaces to control lead dust.
- Use a utility knife to pre-score painted material being removed. Dampen the area before scoring.
- Prior to doing the work, painted surfaces that will be disturbed by the rehabilitation activity must be tested for lead paint by a certified lead inspector (often available at local housing or health departments).
- Paint chip analyses can be performed for as little as \$5-10 per sample.
- Since much paint does not contain lead, testing indicates what additional requirements will apply. If no lead is present, no additional requirements apply. If lead is present, safe work practices must be followed.
- **As an alternative to testing, one can presume that lead paint is present and follow the safe work practices described below.**

SAFE WORK PRACTICES

Safe work practices reduce the amount of dust generated and include: 1) a prohibition on specific methods of paint removal, 2) occupant protection and worksite preparation, and 3) specialized cleaning.

Following the work, you must perform a clearance examination of the worksite to make certain it is safe for residents to enter.

Safe work practices are not required if the area of paint which will be disturbed is below a de minimus (or threshold) level. The de minimus levels are:

- Twenty square feet for exterior surfaces

Two square feet for any one interior room or space, or 10 percent of the total surface area of any small surface such as a window sill or trim.

Effective November 15, 1999, certain methods of paint removal are prohibited because they release large amounts of dangerous dust and fumes.

Prohibited methods are:

- Open flame burning or torching
- Machine sanding or grinding without a high-efficiency particulate air (HEPA) exhaust control (this includes the use of belt sanders)
- Abrasive blasting or sandblasting without HEPA local exhaust control
- Heat guns operating above 1100 degrees Fahrenheit or charring the paint
- Dry sanding or dry scraping, except dry scraping in conjunction with heat guns or within 1 foot of electrical outlets, or when treating defective paint spots totaling no more than the de minimus levels
- Paint stripping in a poorly ventilated space using methylene chloride

Worksite Protection

Occupants and their belongings should be protected and the worksite prepared by:

- Excluding residents from the worksite.
- Taping heavy plastic over floors, doors, windows, and vents to prevent the release and spreading of lead dust, paint chips and debris.
- Moving furniture out of the work area or covering it with heavy plastic.

Cleaning

Specialized cleaning of the work area following the job can effectively remove lead dust and prevent lead

exposure.

- Use a High Efficiency Particulate Air (HEPA) vacuum to clean all floors and other surfaces where dust can settle.
- Wash floors, walls, window sills, and other surfaces with detergent and rinse with fresh water.
- Dispose of debris, paper towels and wash cloths in heavy plastic bags. Never burn lead debris.

Clearance

Following the rehabilitation activities, clearance is required unless the painted surfaces, which were disturbed, are less than the de minimus levels (see safe work practices).

- Clearance examinations include a visual evaluation *and* a dust test to determine if hazardous levels of lead remain following cleaning.
- Clearance examinations must be performed by a certified lead-based paint inspector, risk assessor, or clearance technician (local community development agency, housing or health departments are often able to provide this testing).

For More Information

- To speak to a HUD Specialist about the new Emergency regulation, call (202) 755-1785x104 or send e-mail to lead_regulations@hud.gov. For copies of the HUD regulation (*Final New HUD Regulation on Lead-Based Paint Hazards in Emergency Owned Housing and Housing Receiving Emergency Assistance*, September 1999), or HUD's *Lead Paint Safety Field Guide*, call the National Lead Information Center at (800) 424-LEAD or visit www.hud.gov/lea

Fiscal Year 2007 Budget Emergency Shelter Grant

Agency: _____

Grant 07-FG-# _____

Use back of form or attach pages if needed

CATEGORY	ESG \$\$	Expense Account Number	MATCH SOURCE
<p><u>OPERATIONS</u> (List Project Activities)</p> <p>-MAINTENANCE</p> <p>-EQUIPMENT/FURNISHINGS Must maintain inventory and appropriate procurement procedures must be followed (List All Planned Purchases)</p> <p><u>STAFF</u> (10% of Award) See Instructions</p> <p><u>ADMINISTRATION</u> (Local Government Only) See Instructions</p> <p>Total</p>			

*Use this form for Emergency Shelter Grant Only

Fiscal Year 2007 Budget Instructions Emergency Shelter Grant

1. Agency: Enter the name of the grantee organization/program locality and site.
2. Grant Number: Enter the ESG grant number found on the grant agreement contract.
3. Operations category eligible expenses include payment for shelter maintenance, operation, rent, repairs, security, fuel/ utilities, food and furnishings. *Note that furnishings include furnishings for the shelter only, this does not include items such as computer equipment including, laptops or office furniture.*

Ineligible operations expenses:

- Recruitment or on-going training of staff
- Depreciation
- Cost associated with the organization rather than the supportive housing project (advertisement, pamphlets about organization, surveys, etc.)
- Staff training, entertainment, conferences, or retreats
- Public relations or fund raising
- Bad debts/late fees
- Mortgage payments
- Staff cost that exceeds 10% of grant amount which includes fringe benefits

4. Staff: Not more than 10% of the grant amount can be used for cost of staff.
5. Administration (local Government grantees only) eligible expenses include staff to operate the program, preparation of progress reports, audits, and monitoring of recipients.

Ineligible administrative costs include:

- Preparation of Consolidated Plan and other application submissions
- Conferences or training in professional fields such as accounting and financial management
- Salary of organization's executive director (except to the extent involved in carrying out eligible administrative functions)

REQUEST FOR REIMBURSEMENT

Emergency Shelter Grant

Fiscal Year 2007

On behalf of (*agency name*) _____, I hereby request Emergency Shelter Grant funds in the amount of \$ _____ in accordance with the Grant Agreement between the GRANTEE and the Virginia Department of Housing and Community Development (DHCD). The purpose of the funds is to provide reimbursement for eligible expenses as defined in the FY 2007 Operations Manual. Records will be kept of all expenditures and submitted to the DHCD as required and per the terms of the Grant Agreement.

ESG PAYMENT REQUEST

Request # _____ Grant # 07 - ES- _____ (*agency grant number*)

Federal Identification Number: _____

Grantee Name: _____

Address: _____

 Printed or Typed Name of Authorized Official

 Signature

 Printed or Typed Title

 Date

FOR DHCD USE ONLY

Cost Code

Project Code

Amount to be Charged

\$ _____

\$ _____

Total

\$ _____

By _____

☐ Non-Profit

Date _____

☐ Local Government

ESG SUMMARY OF EXPENDITURES

(Required with Request for Reimbursement)

Agency: _____

Grant 07-FG-#_____

Period: _____

Date	Check #	Expense Account #	Written To	Operations	Staff	Administration (non-staff)
SUB-TOTAL						
GRAND TOTAL						

ESG SUMMARY OF EXPENDITURES - INSTRUCTIONS

- In the grid spaces, enter the date, the check number, the name of the vendor to whom each check was written and the dollar amount of the check/expenditure in the column **under the appropriate budgeted category.**
- Eligible expenditures are only those, which have been approved on your budget by DHCD, and those that were incurred within the grant year period. For example, if utilities are an approved item on your budget you may list a payment for an electric bill as long as the electricity was used between July 1, 2006 and June 30, 2007. You may not pay an electric bill on July 1, 2006 for electricity used in June 2006.
- Pro rata or "split" expenses that result from **cost allocation** or **indirect cost plans** should be documented on your original documentation. The ESG Summary of Expenditures should reflect the exact amount of expense allocated to the grant. It is understood that this amount may differ from the actual amount of the check # listed, but your documentation should reflect the indirect allocation.
- Originals or copies of all invoices paid with grant funds and checks must be retained for review by DHCD staff during monitoring/site visits. **Do not attach ANY invoice or copy of check to your report!**
- Make a copy of any report that you submit to DHCD for your files.
- **Do not attach computer printouts from your accounting software as a replacement for this form.**

***"Do not attach
ANY invoice or
copy of check
to your report!"***

ESG QUARTERLY MATCH FUNDS SUMMARY

Cash Contributions

Agency: _____

Grant 07-FG- # _____ Period _____

Source	Expense Category *	Amount
SUB-TOTAL		
GRAND TOTAL		

*Expense Category is what the cash contribution was used to pay. This entry should match the budget categories on the ESG budget, i.e., Operations, Administration (non-staff), Staff, and Equipment/Furnishings.

Attach additional copies of this form if necessary

ESG QUARTERLY MATCH FUNDS SUMMARY - Cash Contributions - INSTRUCTIONS

You must be able to document all match. All cash match must have been used specifically for the grant-funded program.

- In the grid spaces, enter the name of the source of the matching cash contribution, the expenditure category that the contribution was used to pay (i.e. Operations, Staff, Administration [non-staff]), and the dollar amount.
- Retain records for the receipt and the expenditure of these matching cash contributions for review by DHCD staff during monitoring/site visits.
- Make a copy of any report that you submit to DHCD for your files.

Agency:

Grant #07-FG-_____

Period:_____

IN-KIND CONTRIBUTIONS

Type *	\$Value	Source
SUB-TOTAL		
GRAND TOTAL		

*Type is the kind of donation. Examples are furniture, clothing, and food.

VOLUNTEER TIME

(Must be contributed to the funded program)

# of Volunteers	# Hours	Dollar Value (@ \$10 per hour)

MAKE SURE YOU CAN DOCUMENT ALL VOLUNTEER HOURS

Attach additional pages if necessary

ESG QUARTERLY MATCH FUNDS SUMMARY -- In-Kind Contributions - INSTRUCTIONS

You must be able to document all match. This includes, but is not limited to, documentation of the value and source of in-kind contributions, volunteer activities log, and other supporting documentation. In-kind match that is not adequately documented will not be approved.

To report in-kind contributions, enter the type of donation (clothing, furniture), the dollar value of the contribution, and the source of the donation (department store, individual).

- To report volunteer hours worked, enter the number of volunteers who worked for the report period, the number of hours that the volunteers worked at the grant funded facility, and the calculated dollar amount at \$10.00 per hour.
- Records for the receipt of in-kind donations and volunteer hours worked must be retained for review by DHCD staff during monitoring/site visits.
- Make a copy of any report that you submit to DHCD for your files.

ESG CLOSEOUT REPORT

Agency: _____

Grant 07-FG-_____

CATEGORY	GRANT		MATCH	
	Budgeted	Actual	Budgeted	Actual
Operations				
Staff				
Administration (non-staff)				
GRAND TOTAL				

Total ESG Award		Total ESG Expenditures		Balance	
-----------------	--	------------------------	--	---------	--

Accomplishments: In a brief narrative, describe the accomplishments made as a direct result of this grant.

I certify to the best of my knowledge that this information is an accurate accounting of program funds. In addition, I promise to send an audited financial statement(s) covering the period during which these grant funds were expended. The audited financial statement(s) will be sent to the Virginia Department of Housing and Community Development within sixty days of its/their completion.

Name of person completing form

Name of Executive Officer

Title

Title

Signature and date

Signature and date

ESG CLOSEOUT REPORT - INSTRUCTIONS

- When all grant funds in all categories are expended, the ESG Closeout Report must be submitted.
- In the grid spaces, enter the dollar amounts of grant funds budgeted and grant funds actually spent. For match funds, enter the budgeted amount and the actual amount. If a budget has been revised during the course of the grant year, these numbers should reflect the revised budget
- Below the grid, enter the total dollar amount of the grant award and the total dollar amount of the expenditures. These two figures should be the same to result in a balance of \$0 in remaining funds.
- In the narrative section, describe the accomplishments achieved as a direct result of this grant funding. **The completion of the narrative section is not optional.** The accomplishment information is very important as it is reported to the grant sources to justify the need for funding. Incomplete Closeout Forms or those filled out incorrectly will be returned.